

Item:	RESO 08-90
Fiscal Impact:	\$379,056.92
Funding Source:	CCR, SWU
Account No:	11-7582-40750-00000-7594

Issue:

Cooperative Agreement with Utah Department of Transportation for construction engineering costs on the 3600 West Reconstruction Project (UDOT Project # STP-2164(3)2).

Synopsis:

This agreement requires the City to pay its matching costs for construction on the 3600 West Reconstruction Project from 4100 South to 3500 South. This project is financed primarily from Federal-aid highway funds.

Background:

Through the Wasatch Front Regional Council, the 3600 West Reconstruction Project was chosen to receive federal funding. In order to receive the funding, the project must adhere to UDOT's design and construction process. West Valley City is required to pay up front, a match of 6.77% of the total participating costs of the construction and any additional amounts that exceed the total funding. The up front costs are based on the engineers estimate and may vary if final costs are greater or less than initially estimated. The total local match required is \$379,056.92. Because project overruns have become a common occurrence of late due to inflated construction costs, UDOT is now requiring an additional 10% contingency match of construction costs amounting to \$335,000. This money will not be paid to UDOT at this time. Instead, a letter signed by the Mayor (see attached) will guarantee the funds are secured if needed.

Recommendation:

Approval of the Cooperative Agreement with the Utah Department of Transportation.

Submitted By:

Dan Johnson, P.E., City Engineer